December 29, 2020

# NOTICE OF CONNECTICUT STATE AGENCIES

#### DEPARTMENT OF SOCIAL SERVICES

Notice of Proposed Medicaid State Plan Amendment (SPA)

SPA 21-B: Physician Services – Updates for HIPAA Billing Code Compliance, Physician-Administered Drugs, and Person-Centered Medical Home Program (PCMH) Billing Codes for Fee-for-Service Add-On and Quality Measures for PCMH Performance Payments

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS).

## **Changes to Medicaid State Plan**

Effective on or after January 1, 2021, SPA 21-B will amend Attachment 4.19-B of the Medicaid State Plan to make the updates to the payment for physician services described below.

First, this SPA will incorporate various 2021 federal Healthcare Common Procedural Coding System (HCPCS) updates (additions, deletions and description changes) to the Physician Office & Outpatient, Physician-Radiology, and Physician-Surgery fee schedules. Codes that are being added are being priced using a comparable methodology to other codes in the same or similar category. DSS is making these changes to ensure that these fee schedules remain compliant with the Health Insurance Portability and Accountability Act (HIPAA).

Second, in accordance with the existing federally approved methodology for physician-administered drugs in the Medicaid State Plan, this SPA will update the reimbursement methodology to 100% of the January 2021 Medicare Average Sales Price (ASP) Drug Pricing file for physician-administered drugs, immune globulins, vaccines and toxoids.

For procedure codes that are not priced on the January 2021 Medicare ASP Drug Pricing File and procedure codes that are described as "unclassified", the drug will be priced at the lowest of:

- The usual and customary charge to the public or the actual submitted ingredient cost;
- The National Average Drug Acquisition Cost (NADAC) established by CMS;
- The Affordable Care Act Federal Upper Limit (FUL); or
- Wholesale Acquisition Cost (WAC) plus zero (0) percent when no NADAC is available for the specific drug.

Fee schedules are published at this link: <a href="http://www.ctdssmap.com">http://www.ctdssmap.com</a>, then select "Provider", then select "Provider Fee Schedule Download."

Finally, this SPA will also make the following technical updates to the PCMH program. As part of the federal HCPCS update referenced above, the definitions of two of the codes previously eligible for the PCMH fee-for-service add-on payment were revised so that they will no longer be able to be billed in the context of evaluation and management (E&M) services (Current Procedural Terminology [CPT] codes 99354 and 99355). Therefore, those codes will be removed from the list of codes eligible for the PCMH fee-for-service add-on. DSS intends to replace those codes on the list of those eligible for the PCMH fee-for-service add-on with CPT code 99417, to be priced in a manner that is designed to be cost-neutral to the prior level for CPT codes 99354 and 99355.

In addition, the quality measures for PCMH, which are used in calculating the PCMH supplemental payments for performance and improvement and the challenge pool supplemental payment, will be updated in order to reflect various changes to the measures by the applicable measure stewards. These changes include removing quality measures that have been retired, incorporating changes to the measures that have been made by the measure stewards, and updating measures to new stewards as appropriate. This SPA may also include further adjustments to the methodology for the performance payments to account for disruptions in utilization patterns due to the Coronavirus Disease 2019 (COVID-19) pandemic and associated public health emergency declarations.

# Fiscal Impact

DSS estimates that the HIPAA compliance changes will increase annual aggregate expenditures by approximately \$33,000 in State Fiscal Year (SFY) 2021 and \$84,000 in SFY 2022. DSS estimates that updating the physician-administered drugs to the January 2021 Medicare ASP Drug Pricing File, as required by the existing approved Medicaid State Plan payment methodology for physician-administered drugs, will increase annual aggregate expenditures by approximately \$210,000 in SFY 2021 and \$520,000 in SFY 2022. DSS does not anticipate that the PCMH updates will have any significant changes in annual aggregate expenditures.

# **Obtaining SPA Language and Submitting Comments**

The proposed SPA is posted on the DSS website at this link: <a href="http://portal.ct.gov/dss">http://portal.ct.gov/dss</a>. Scroll down to the bottom of the webpage and click on "Publications" and then click on "Updates." Then click on "Medicaid State Plan Amendments". The proposed SPA may also be obtained at any DSS field office, at the Town of Vernon Social Services Department, or upon request from DSS (see below).

To request a copy of the SPA from DSS or to send comments about the SPA, please email: <a href="mailto:Public.Comment.DSS@ct.gov">Public.Comment.DSS@ct.gov</a> or write to: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. Please reference "SPA 21-B: Physician Services – Updates for HIPAA Billing Code Compliance, Physician-Administered Drugs, and Person-Centered Medical Home Program (PCMH) Billing Codes for Fee-for-Service Add-On and Quality Measures for Performance Payments".

# Notice of Proposed Medicaid State Plan Amendment (SPA)

# SPA 21-C: Independent Radiology and Independent Laboratory – HIPAA Compliance Billing Code Update

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS).

### **Changes to Medicaid State Plan**

Effective on or after January 1, 2021, SPA 21-C will amend Attachment 4.19-B of the Medicaid State Plan to incorporate the 2021 Healthcare Common Procedural Coding System (HCPCS) changes (additions, deletions and description changes) to the Independent Radiology and Independent Laboratory fee schedules. DSS is making these changes to ensure that these fee schedules remain compliant with the Health Insurance Portability and Accountability Act (HIPAA). This SPA also establishes fixed fees for certain laboratory codes that were previously manually priced because Medicare recently established fees for those codes. Codes that are being added are being priced using a comparable methodology to other codes in the same or similar category based on available information. The purpose of that change is to establish more consistent pricing for those codes.

Fee schedules are published at this link: <a href="http://www.ctdssmap.com">http://www.ctdssmap.com</a>, then select "Provider", then select "Provider Fee Schedule Download."

# **Fiscal Impact**

For independent radiology services, DSS does not anticipate that this SPA will substantially affect annual aggregate expenditures.

For independent laboratory services, DSS estimates that this SPA will increase annual aggregate expenditures by approximately \$5,000 in State Fiscal Year (SFY) 2021 and \$12,000 for SFY 2022.

### Obtaining SPA Language and Submitting Comments

This SPA is posted on the DSS web site at the following link: <a href="http://portal.ct.gov/dss.">http://portal.ct.gov/dss.</a> Scroll down to the bottom of the webpage and click on "Publications" and then click on "Updates." Then click on "Medicaid State Plan Amendments". The proposed SPA may also be obtained at any DSS field office, at the Town of Vernon Social Services Department, or upon request from DSS (see below).

To request a copy of the SPA from DSS or to send comments about the SPA, please email: <a href="mailto:Public.Comment.DSS@ct.gov">Public.Comment.DSS@ct.gov</a> or write to: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. Please reference "SPA 21-C: Independent Radiology and Independent Laboratory – HIPAA Compliance Billing Code Update".

# Notice of Proposed Medicaid State Plan Amendment (SPA)

# SPA 21-D: Clinics – HIPAA Compliance Billing Code and Reimbursement Updates

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS).

# **Changes to Medicaid State Plan**

Effective on or after January 1, 2021, SPA 21-D will amend Attachment 4.19-B of the Medicaid State Plan to revise the Medical Clinic, Family Planning Clinic, Behavioral Health Clinic, Rehabilitation Clinic, and Ambulatory Surgical Center fee schedules as described below. These revisions incorporate the 2021 Healthcare Common Procedural Coding System (HCPCS) changes (additions, deletions and description changes) to remain compliant with the Health Insurance Portability and Accountability Act (HIPAA). DSS is making these changes to ensure that these fee schedules remain compliant with the Health Insurance Portability and Accountability Act (HIPAA). Codes that are being added are being priced using a comparable methodology to other codes in the same or similar category. For newly added codes that are replacing codes that are being deleted, they are being priced in a manner designed to be cost-neutral to the previous overall payment methodology.

Fee schedules are published at this link: <a href="http://www.ctdssmap.com">http://www.ctdssmap.com</a>, then select "Provider", then select "Provider Fee Schedule Download."

## **Fiscal Impact**

DSS estimates that the updates to the family planning clinic fee schedule will increase annual aggregate expenditures by approximately \$23,000 in State Fiscal Year (SFY) 2021 and \$58,000 in SFY 2022.

DSS estimates that the updates to the ambulatory surgical center clinic fee schedule will increase annual aggregate expenditures by approximately \$2,000 in SFY 2021 and \$6,000 in SFY 2022.

DSS estimates that the updates to the behavioral health clinic fee schedule will increase annual aggregate expenditures by approximately \$1,100 in SFY 2021 and \$2,700 in SFY 2022.

DSS estimates that the updates to the medical clinic fee schedule will increase annual aggregate expenditures by approximately \$50 in SFY 2021 and \$123 in SFY 2022.

DSS estimates that the updates to the rehabilitation clinic fee schedule will not change annual aggregate expenditures.

## **Obtaining SPA Language and Submitting Comments**

The proposed SPA is posted on the DSS website at this link: <a href="http://portal.ct.gov/dss">http://portal.ct.gov/dss</a>. Scroll down to the bottom of the webpage and click on "Publications" and then click on "Updates." Then click on "Medicaid State Plan Amendments". The pro-

posed SPA may also be obtained at any DSS field office, at the Town of Vernon Social Services Department, or upon request from DSS (see below).

To request a copy of the SPA from DSS or to send comments about the SPA, please email: <a href="mailto:Public.Comment.DSS@ct.gov">Public.Comment.DSS@ct.gov</a> or write to: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105 (Phone: 860-424-5067). Please reference "SPA 21-D: Clinics – HIPAA Compliance Billing Code and Reimbursement Updates".

# Notice of Proposed Medicaid State Plan Amendment (SPA)

## SPA 21-E: Audiology and Speech & Language Pathology – HIPAA Compliance Billing Code and Reimbursement Update

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS).

# Changes to Medicaid State Plan

Effective on or after January 1, 2021, SPA 21-E will amend Attachment 4.19-B of the Medicaid State Plan to incorporate the 2021 Healthcare Common Procedural Coding System (HCPCS) changes (additions, deletions and description changes) to the Audiology and Speech & Language Pathology fee schedule. DSS is making these changes to ensure that these fee schedules remain compliant with the Health Insurance Portability and Accountability Act (HIPAA). New codes are being priced in accordance with a comparable methodology as existing codes, priced at 57.5% of the 2021 Medicare physician fee schedule.

Fee schedules are published at this link: <a href="http://www.ctdssmap.com">http://www.ctdssmap.com</a>, then select "Provider", then select "Provider Fee Schedule Download."

#### **Fiscal Information**

Based on the information that is available at this time, DSS estimates that this SPA will not change annual aggregate expenditures in State Fiscal Year (SFY) 2021 and SFY 2022.

#### **Obtaining SPA Language and Submitting Comments**

This SPA is posted on the DSS web site at the following link: <a href="http://portal.ct.gov/dss">http://portal.ct.gov/dss</a>. Scroll down to the bottom of the webpage and click on "Publications" and then click on "Updates." Then click on "Medicaid State Plan Amendments". The proposed SPA may also be obtained at any DSS field office, at the Town of Vernon Social Services Department, or upon request from DSS (see below).

To request a copy of the SPA from DSS or to send comments about the SPA, please email: <a href="mailto:Public.Comment.DSS@ct.gov">Public.Comment.DSS@ct.gov</a> or write to: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. Please reference "SPA 21-E: Audiology and Speech & Language Pathology – HIPAA Compliance Billing Code and Reimbursement Update".

# Notice of Proposed Medicaid State Plan Amendment (SPA)

# SPA 20-G: Dental Services - HIPAA Compliance Billing Code Update

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS).

# Changes to Medicaid State Plan

Effective on or after January 1, 2021, SPA 20-G will amend Attachment 4.19-B of the Medicaid State Plan to update the dental fee schedules for adults and children as follows. This SPA will incorporate various 2021 Healthcare Common Procedural Coding System (HCPCS) (additions, deletions and description changes) to the adult and children's dental fee schedules. Codes that are being added are being priced using a comparable methodology to other codes in the same or similar category and replacement codes are being priced in a manner designed to make the billing code updates cost-neutral. DSS is making these changes to ensure that these fee schedules remain compliant with the Health Insurance Portability and Accountability Act (HIPAA).

Fee schedules are published at this link: <a href="http://www.ctdssmap.com">http://www.ctdssmap.com</a>, then select "Provider", then select "Provider Fee Schedule Download" Accept or Decline the Terms and Conditions and go to the Adult or Children's Dental Fee Schedule.

## Fiscal Impact

DSS anticipates that this SPA will not substantially affect annual aggregate expenditures.

# **Obtaining SPA Language and Submitting Comments**

The proposed SPA is posted on the DSS website at this link: <a href="http://portal.ct.gov/dss">http://portal.ct.gov/dss</a>. Scroll down to the bottom of the webpage and click on "Publications" and then click on "Updates." Then click on "Medicaid State Plan Amendments". The proposed SPA may also be obtained at any DSS field office, at the Town of Vernon Social Services Department, or upon request from DSS (see below).

To request a copy of the SPA from DSS or to send comments about the SPA, please email: <a href="mailto:Public.Comment.DSS@ct.gov">Public.Comment.DSS@ct.gov</a> or write to: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. Please reference "SPA 21-G: Dental Services – HIPAA Compliance Billing Code Update".

# Notice of Proposed Medicaid State Plan Amendment (SPA)

# SPA 21-H: Medical Equipment Devices and Supplies (MEDS) - HIPAA Compliance Fee Schedule Update for Durable Medical Equipment (DME) and Reduced Rates for Orthotic Braces

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS).

# **Changes to Medicaid State Plan**

Effective on or after February 1, 2020, SPA 21-H will amend Attachment 4.19-B of the Medicaid State Plan in order to make the changes described below. First, this SPA will revise the Durable Medical Equipment (DME) fee schedule to incorporate the 2021 Healthcare Common Procedural Coding System (HCPCS) changes (additions, deletions and description changes). DSS is making these changes to ensure that this fee schedule remains compliant with the Health Insurance Portability and Accountability Act (HIPAA). Codes that are being added are being priced using a comparable methodology to other codes in the same or similar category. Specifically, DSS will add the following procedure codes to the Durable Medical Equipment fee schedule K1010, K1011 and K1012. For newly added codes that are replacing codes that are being deleted, they are being priced in a manner that is comparable to the methodology for existing codes and in a manner that is designed to be as cost-neutral as possible to the previous overall payment methodology.

In addition, DSS will decrease reimbursement rates to several orthotic braces found on the Orthotics and Prosthetics (O & P) Fee Schedule in order to ensure that those rates remain at or below the Medicare payment rate, which is necessary to update in accordance with the current methodology and regulations to avoid paying above Medicare for these services because Medicare is adding certain O & P braces under the competitive bidding program, which has resulted in Medicare paying lower rates for those codes.

The Connecticut Medicaid orthotic and prosthetic payment rates are based off of Medicare's rates, including the fee schedule or competitive bid rates, as applicable, whichever is lower. Therefore, the Medicaid reimbursement for the items affected will be decreased in order to comply with section 17b-262-743 (Orthotic and Prosthetic Devices [O & P]) of the Regulations of Connecticut State Agencies. Specifically, this SPA changes the fees for applicable O&P services to the current Medicaid rate or 100% of the applicable Medicare fee (incorporating the Medicare Competitive Bid Program's lowest single payment amount), whichever is lower.

Below is a list of the following orthotics procedure codes impacted:

Code	Code Description	Medicaid	
		Current	New
L0450	TLSO, FLEXIBLE, PROVIDES TRUNK SUPPORT	\$146.92	\$124.23

L0621	SACROILIAC ORTHOSIS, FLEXIBLE, PROVIDES PELVIC-SACRAL SUPPORT	\$68.78	\$65.50
L0625	LUMBAR ORTHOSIS, FLEXIBLE, PROVIDES LUMBAR SUPPORT	\$39.26	\$36.64
L0628	LUMBAR-SACRAL ORTHOSIS, FLEXIBLE, PROVIDES LUMBO-SACRAL SUPPORT	\$59.79	\$55.79
L0641	LUMBAR ORTHOSIS, SAGITTAL CONTROL	\$55.56	\$51.84
L0643	LUMBAR-SACRAL ORTHOSIS, SAGITTAL CONTROL	\$115.43	\$107.71
L0649	LUMBAR-SACRAL ORTHOSIS, SAGITTAL-CORONAL CONTROL	\$204.39	\$190.72

Fee schedules are published at this link: <a href="http://www.ctdssmap.com">http://www.ctdssmap.com</a>, then select "Provider Fee Schedule Download", then Accept or Decline the Terms and Conditions and then select the applicable fee schedule.

#### Fiscal Impact

DSS estimates that the HIPAA compliance update to the DME fee schedule will increase annual aggregate expenditures by approximately \$300 in State Fiscal Year (SFY) 2021 and \$1,000 in SFY 2022.

DSS estimates that the update to the O&P fee schedule to incorporate the lower Medicare rates that have been added to Medicare's Competitive Bidding Program will reduce annual aggregate expenditures by approximately \$900 in State Fiscal Year (SFY) 2021 and \$2,700 in SFY 2022.

## **Compliance with Federal Access Regulations**

In accordance with federal regulations at 42 C.F.R. §§ 447.203 and 447.204, DSS is required to ensure that there is sufficient access to Medicaid services, including services where payment rates are proposed to be reduced or where payment rates or methodologies are being restructured in a manner that may affect access to services. As described above, this SPA is making changes in order to maintain the methodology that O&P services cannot be paid higher than Medicare's rates, which are changing because Medicare recently added certain O&P services to the Medicare competitive bid program and which has resulted in lower Medicare payment rates than those found on the Medicare fee schedule.

Those federal regulations also require DSS to have ongoing mechanisms for Medicaid members, providers, other stakeholders, and the public to provide DSS with feedback about access. In addition to other available procedures, anyone may send DSS comments about the potential impact of this SPA on access to O & P services as part of the public comment process for this SPA. Contact information and the deadline for submitting public comments are listed below.

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# **Obtaining SPA Language and Submitting Comments**

The proposed SPA is posted on the DSS website at this link: <a href="http://portal.ct.gov/dss">http://portal.ct.gov/dss</a>. Scroll down to the bottom of the webpage and click on "Publications" and then click on "Updates." Then click on "Medicaid State Plan Amendments". The proposed SPA may also be obtained at any DSS field office, at the Town of Vernon Social Services Department, or upon request from DSS (see below).

To request a copy of the SPA from DSS or to send comments about the SPA, please email: <a href="mailto:Public.Comment.DSS@ct.gov">Public.Comment.DSS@ct.gov</a> or write to: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. Please reference "SPA 21-H: MEDS - HIPAA Compliance Fee Schedule Update for DME and Reduced Rates for Orthotic Braces."

# Notice of Proposed Medicaid State Plan Amendment (SPA)

# SPA 21-I: Person-Centered Medical Home Plus (PCMH+) Program Updates

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS).

#### **Changes to Medicaid State Plan**

Effective on or after January 1, 2021, SPA 21-I will amend Attachment 4.19-B of the Medicaid State Plan to update the Person-Centered Medical Home Plus (PCMH+) Program as detailed below. The PCMH+ program is codified in the Medicaid State Plan as an Integrated Care Model within section 1905(a)(29) of the Social Security Act (Act), which is the Medicaid benefit category for "any other medical care, and any other type of remedial care recognized under State law, specified by the [HHS] Secretary." PCMH+ involves shared savings payments and care coordination add-on payments for primary care case management (PCCM) services, as defined by section 1905(t) of the Act.

First, the quality measures for PCMH+, which are used as part of the calculation methodology for the individual pool and challenge pool shared savings payments, will be updated in order to reflect various changes to the measures by the applicable measure stewards. These changes include removing quality measures that have been retired, incorporating changes to the measures that have been made by the measure stewards, and updating measures to new stewards as appropriate.

Second, in recognition of the disruptions in utilization patterns due to the Coronavirus Disease 2019 (COVID-19) pandemic and associated public health emergency declarations and in recognition of the increased stability in Medicaid eligibility due to the requirements for states established pursuant to section 6008(b)(3) of the Families First Coronavirus Response Act (FFCRA), this proposed SPA will provide that the PCMH+ member assignment for the calendar year 2021 measurement year will remain in place based on the member attribution determined as of late 2019 that is currently being used for the calendar 2020 measurement year. However, the member assignment methodology for measurement years in calendar years 2022 and forward will revert to the standard methodology that is currently in place.

Finally, this proposed SPA will make adjustments as necessary to the methodology for measuring performance on quality measures that is used in the calculation of the individual pool and challenge pool shared savings payments in order to account for disruptions in utilization due to the COVID-19 pandemic and associated public health emergency declarations.

# Fiscal Impact

DSS does not anticipate that this SPA will have any significant changes in annual aggregate expenditures.

#### **Obtaining SPA Language and Submitting Comments**

The proposed SPA is posted on the DSS website at this link: <a href="http://portal.ct.gov/dss">http://portal.ct.gov/dss</a>. Scroll down to the bottom of the webpage and click on "Publications" and then click on "Updates." Then click on "Medicaid State Plan Amendments". The pro-

posed SPA may also be obtained at any DSS field office, at the Town of Vernon Social Services Department, or upon request from DSS (see below).

To request a copy of the SPA from DSS or to send comments about the SPA, please email: <a href="mailto:Public.Comment.DSS@ct.gov">Public.Comment.DSS@ct.gov</a> or write to: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. Please reference "SPA 21-I: Person-Centered Medical Home Plus (PCMH+) Program Updates".